



General Assembly

January Session, 2001

Amendment

LCO No. 8073

Offered by:

SEN. WILLIAMS, 29th Dist.

REP. STRATTON, 17th Dist.

To: Subst. Senate Bill No. 1012

File No. 771

Cal. No. 304

"AN ACT CONCERNING NITROGEN REDUCTION IN LONG ISLAND SOUND."

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- 1 In line 75, strike "seven" and insert "nine" in lieu thereof
- 2 In line 81, after "municipality", insert "with a population of greater
- 3 than twenty thousand"
- 4 In line 81, after "credits", insert "and a representative from a
- 5 municipality with a population of less than twenty thousand that sells
- 6 credits"
- 7 In line 83, after "municipality", insert "with a population of greater
- 8 than twenty thousand"
- 9 In line 83, after "credits", insert "and a representative from a
- 10 municipality with a population of less than twenty thousand that
- 11 purchases nitrogen credits"
- 12 In line 119, strike "and"

- 13 In line 120, strike "." and insert "; and" in lieu thereof
- 14 After line 120, insert the following:
- 15 "(5) Recommendations relating to the use of federal funding to assist
16 distressed municipalities in the planning, design and construction of
17 nitrogen removal facilities in implementing the provisions of this act."
- 18 Strike lines 144 to 158 in their entirety and renumber the remaining
19 subdivisions accordingly
- 20 Strike lines 171 and 172 in their entirety and renumber the
21 remaining subdivisions accordingly
- 22 In line 174, strike "and the collection of transaction fees"
- 23 In line 177, strike "and"
- 24 In line 180, strike "." and insert "; and" in lieu thereof
- 25 After line 180, insert the following:
- 26 "(15) Establish a technical assistance program to educate and assist
27 municipalities in implementing the nitrogen credit exchange program."
- 28 In line 186, strike "determine and"
- 29 In line 187, after "credits", insert "as determined by the procedure
30 established in section 8 of this act"
- 31 In line 188, strike "A municipality may petition the"
- 32 Strike lines 189 to 195, inclusive, in their entirety
- 33 After line 247, insert the following and renumber the remaining
34 section accordingly:
- 35 "Sec. 8. (NEW) (a) As used in this section:
- 36 (1) "Eligible capital costs" means (A) the actual planning, design and

37 construction costs for a nitrogen removal facility, except for costs
38 related to the modification of a facility for purposes other than the
39 enhancement of the nitrogen treatment process, and (B) costs of
40 equipment and land that is necessary for nitrogen treatment. In the
41 case of an ammonia reduction facility, "eligible capital costs" means
42 outstanding debt. The Commissioner of Environmental Protection,
43 with the approval of the Nitrogen Credit Advisory Board, may
44 designate other eligible capital costs associated with the improvement
45 of existing secondary sewage treatment facilities;

46 (2) "Eligible operation and maintenance costs" means (A) for a new
47 facility, the total costs of labor, administration, electricity, and
48 chemicals, and (B) for the modification of a facility for the purpose of
49 the enhancement of the nitrogen treatment process, the incremental
50 increase of the cost of labor, administration, electricity and chemicals;

51 (3) "Total eligible capital cost" means one hundred per cent of the
52 eligible capital costs, based on a thirty per cent grant provided to the
53 facility pursuant to section 22a-478 of the general statutes and the loan
54 to finance the remaining seventy per cent of the eligible capital costs;

55 (4) "Total annual capital cost" means the total amount of the facility's
56 loan divided by a twenty-year loan repayment period;

57 (5) "Total eligible annual operation and maintenance cost" means
58 the flow rate of the facility, expressed in millions of gallons per day,
59 multiplied by the cost to the facility of processing a million gallons per
60 day, based on the eligible operation and maintenance costs; and

61 (6) "Total annual project cost" means the total annual capital cost
62 and the total eligible annual operation and maintenance cost.

63 (b) The Nitrogen Credit Advisory Board, established pursuant to
64 section 3 of this act, shall propose the annual value of equivalent
65 nitrogen credits by dividing the total annual project cost by the
66 reduction of equivalent pounds of nitrogen. Upon proposing such
67 value, the board shall notify each municipality with sewage treatment

68 facilities, in writing, of such proposal.

69 (c) The Commissioner of Environmental Protection shall issue a
70 draft ruling on the proposal pursuant to subsection (b) of this section.
71 Such draft opinion shall become final if no municipality or group of
72 municipalities petition for a review of the proposal pursuant to this
73 section.

74 (d) No later than fifteen business days after the issuance of the draft
75 ruling of the commissioner, a municipality or a group of municipalities
76 may petition the board to review the proposed value of the credits.

77 (e) No later than ten business days following the submission of a
78 petition for review, the board shall appoint an arbitration panel
79 comprised of (1) a municipal official from a municipality that is
80 expected to sell credits in the upcoming fiscal year, (2) a municipal
81 official from a municipality that is expected to purchase credits in the
82 upcoming fiscal year, and (3) a third member selected by mutual
83 agreement by such officials.

84 (f) No later than ten business days after the appointing of an
85 arbitration panel, the board shall convene the arbitration meeting of
86 the petitioners and the commissioner.

87 (g) No later than ten business days after the convening of the
88 arbitration meeting, the arbitration panel shall issue a final ruling on
89 the annual value of equivalent nitrogen credits."